

The Global Newspaper Edited and Published in Paris. Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 33,992

24/92

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PARIS, FRIDAY, JUNE 12, 1992

ESTABLISHED 1887



Police Tear Gas Forces Bush From Rally in Panama

By Michael Wines

PANAMA CITY — President George Bush's journey to Brazil and the Earth Summit took a terrifying turn in Panama on Thursday as tear gas, fired by police at a crowded outdoor rally for Mr. Bush, sparked a panic and caused armed guards to usher the president hastily out of town.

Mr. Bush and his wife, Barbara, enveloped by Secret Service agents and dabbing tears from their eyes, walked to their motorcade and sped out of central Panama City, abandoning plans for a speech to some 8,000 Panamanians gathered in a city square.

Reporters heard several reports of what sounded like gunshots as the Bush motorcade pulled away, surrounded by Secret Service agents with weapons ready. But one agent at the scene said he heard no shots, and others said that the sounds could have been caused by the launching of tear-gas canisters at anti-American demonstrators.

crowd, fleeing waves of tear gas, surged toward Mr. Bush and President Guillermo Endara of Panama.

After the Bushes left, Panamanian police surged through streets near the park, arresting demonstrators and clearing the downtown area of protesters.

Wire services reported from Panama City: At first, the plaza was filled with cheers and singing. Then a popping sound penetrated the music, and clouds of tear gas rose above the crowd and headed for the podium where Mr. Bush was standing.

Within a minute, the president's quick, carefully orchestrated stop-over in Panama dissolved into fear and chaos. The thousands of people who had gathered for his speech fled, weeping and choking from the tear gas that police fired at protesters.

Many in the crowd gathered in the plaza had sung in honor of Mr. Bush's 68th birthday Friday and

shouted their approval of the man who ordered the invasion that overthrew the Panamanian dictator Manuel Antonio Noriega.

But thousands of others with a far different opinion were massed behind barricades at the plaza's edge. The crowd tried to rush the barricades and police fired birdshot into the air. They also fired tear gas at protesters who were burning tires about a block away.

In the pandemonium that broke out as the president was being whisked off the stage, children in the crowd were trampled and screaming was heard. Several young girls were weeping and shouting hysterically.

After the president and Mrs. Bush were taken away, surrounded by agents with firearms drawn, the crowd surged through the fence into the area that Mr. Bush had just left.

Initially, Mr. Bush and those

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Yeltsin Sees Major Arms Deal During U.S. Visit

By Michael Dobbs

MOSCOW — President Boris N. Yeltsin set the stage Thursday for the first-ever summit meeting of a Russian president with an American by expressing confidence he would sign an agreement with President George Bush for deep cuts in nuclear weapons.

In an interview in advance of his trip, Mr. Yeltsin said he was determined to push ahead as rapidly as possible with Russia's economic and political transformation after more than seven decades under communism. The Russian leader is scheduled to arrive in Washington on Monday.

Mr. Yeltsin was elected president of Russia when it was still part of the Soviet Union.

His post assumed much greater significance in December after the collapse of the Soviet Union, which wiped out the Soviet presidential post of Mikhail S. Gorbachev.

In the interview, President Yeltsin insisted that he would not allow Western governments or the International Monetary Fund to dictate the pace of Russia's transformation to a market economy.

"We have a program, we have principles and a Russian people that the IMF does not know," Mr. Yeltsin said. "If the IMF insists that we immediately release prices on energy, we will not agree. We know cases in the world when some countries have followed the advice of the IMF and suffered a fiasco."

Speaking on the eve of the first anniversary

of his inauguration as the first president of Russia, Mr. Yeltsin expressed pride in his achievements over the last year while conceding that he had made some "tactical mistakes."

He claimed credit for having preserved the country's political stability and territorial integrity, despite a sharp drop in the living standards of ordinary Russians and the fact "passions are flowing and blood is being spilled" around the country's borders.

U.S. diplomats here expect Mr. Yeltsin to use the Washington summit talks to declare that post-Communist Russia shares common values with the West and to try to establish himself in the American mind as a reliable partner.

Mr. Yeltsin predicted that at least 20 docu-

ments would be signed during his visit, including what he described as "a framework agreement on the principles of deeper cuts in nuclear weapons."

The Russian foreign minister, Andrei V. Kozyrev, will meet in London with Secretary of State James A. Baker 3d on Friday in an attempt to overcome remaining obstacles.

The biggest sticking point is Washington's insistence that Moscow give up its land-based, multiple-warhead ballistic missiles, which are the backbone of its nuclear strike force.

"This is very, very serious," the Russian leader said. "That is why final work on this document is still going on. Of course we would like to bring our positions closer, but

See YELTSIN, Page 4

Balanced Budget Amendment Fails

WASHINGTON (AP) — The House narrowly killed a balanced-budget amendment to the Constitution on Thursday, dooming a plan supporters touted as the last, best hope for controlling federal deficits but which opponents derided as an election-year sham.

The vote was 280 to 153, shy of the two-thirds majority required to send the measure to the Senate. The vote capped weeks of intense lobbying and two days of debate.

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Table with financial data: Dow Jones, Dollar in New York, Pound, Yen, FF. Includes a 'Dow Close' section with 'Up 8.29' and 'Down 3,251.51'.

Worried U.S. Labor Offers Strike Deal

By Frank Swoboda and Helen Dewar

WASHINGTON — Organized labor in the United States has offered to limit its ability to strike if Congress will restrict the use of permanent replacement workers during contract disputes.

The proposal by the AFL-CIO, the largest U.S. labor organization, represents the first time that labor has agreed to restrict its basic ability to strike since passage of the National Labor Relations Act more than half a century ago.

The compromise also reflects the degree of labor's desperation as it struggles to win support in Congress for protection against permanent replacements for strikers.

The threat has increased since President Ronald Reagan replaced striking air traffic controllers in August 1981. Recently, Caterpillar, the heavy equipment maker, used a threat of permanent replacements to force the United Auto Workers to end a five-month strike and return without a contract.

Amid Layoffs, China Sours on Capitalism

By Nicholas D. Kristof

BEIJING — Worried by layoffs and rising prices, many Chinese workers seem increasingly disenchanted by the capitalist-style changes taking hold in shops and factory floors around the country.

As a result, for the first time since China began liberalizing its economy more than a dozen years ago, many ordinary citizens seem to be no longer agents of change but obstacles to it. Workers in several cities have attacked factory directors who have tried to introduce market-oriented changes, and there are growing reports of strikes and acts of sabotage.

Those incidents suggest that opposition to fundamental change is increasingly coming not only from octogenarian Communist hard-liners but also from many ordinary blue-collar workers.

Similar tensions have erupted throughout the former Communist bloc. While China has been able to avoid deep social upheavals associated with "shock therapy" in other countries, the experience here suggests that even a gradual weaning away from central planning can lead to widespread fear and sometimes fury.

"There's enormous frustration out there with the reforms," a Chinese economic official said. "The leaders are running scared."

What alarms the leadership is cases like that of Huang Chuanying, a bank director whom the official Chinese press hailed as "a daring reformer." Mr. Huang tried to curb the Maoist-style labor practices that have crippled state-owned enterprises all over China, and he began dismissing bank employees considered incompetent and unproductive.

One dismissed staff member, Cao Weibua, responded by firebombing Mr. Huang's house, severely wounding Mr. Huang, his wife and their two children. Mr. Cao was sentenced to death recently, but the incident seemed to reflect a broad concern among many Chinese that while a market economy may be more prosperous and efficient than a Communist one, it may also be less cozy.

The contrast is profound with the mood over most of the last dozen years, when ordinary Chinese were ardent backers of change. In those years, they often took the initiative and pushed liberalization more quickly than the Politburo intended.

EUROPEAN CHAMPIONSHIP Thursday's Play England 0 Denmark 0 Sports, Page 18



PRAYING AGAINST PEACEKEEPERS — Buddhist monks in Tokyo praying Thursday in protest of a bill that would allow Japanese troops to be sent abroad on UN peacekeeping missions. A special committee in the Diet lower house put the bill a step closer to passage. Page 2.

U.S. in Dilemma on Sarajevo

Officials Weigh Options and Risks in Military Operation

By Barton Gellman and Ann Devroy

WASHINGTON — The Bush administration, for the first time in months of internal debate, is considering options for the U.S. military to help supply, escort and protect humanitarian relief efforts in Yugoslavia, according to officials involved in the discussions.

The prevailing view among top advisers is skepticism about prospects for success of any direct involvement. Senior Pentagon officials are nearly unanimously opposed.

There also is consensus among senior policymakers that an outside force is capable of imposing a stable peace in the wreckage of the former Yugoslav federation.

But some military and civilian officials are now edging reluctantly toward the view that the United States — as part of an international coalition — should use military assets to encourage and sustain a cease-fire.

[President George Bush played down speculation that the United States was weighing military action in Yugoslavia, saying Thursday: "We're not the world's policeman."

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Ross Perot taking viewers' questions Thursday. He linked lobbying efforts by unnamed former White House aides to trade imbalances.

Perot Calls For a Ban On Foreign Lobbying

By Paul F. Horvitz

WASHINGTON — In a direct attack on the campaign of President George Bush, Ross Perot, the unofficial independent candidate for president, called Thursday for laws that would ban lobbying of the U.S. Congress by foreign nations, foreign companies and foreign individuals.

Speaking in a two-hour live call-in news program on NBC, Mr. Perot said the "core" of what was wrong with the United States was "the special interests run this country."

He also linked lobbying efforts by unnamed former White House aides to perceived trade imbalances.

"Why can our trade agreements be so 'squirrely'?", he asked. "It's all these young people who used to be on the White House staff, used to be on the congressional staffs, now making \$25- and \$30,000 a month as lobbyists, whispering in everybody's ear, creating one-way streets for trade."

Taking a series of other shots, Mr. Perot said that Mr. Bush did not understand business and blamed him for the credit squeeze on small businesses. And he said Mr. Bush had sent representatives to "bump, diaper and pampers" Saddam Hussein just before Iraq's invasion of Kuwait.

In trade, Mr. Perot said, other nations "stake out extreme positions, they've got all their foreign lobbyists back here." And he continued: "We don't have any over there. The reason we don't — their ethics are such, it would be a source of great shame to do what our people do willingly."

He said the subject of "getting rid of the international interests" was "very sensitive" but challenged the other candidates for president to address the issue.

"Make it illegal for foreign nations, foreign companies, foreign individuals, to lobby the U.S. Congress or to get money directly or indirectly in any way, and make it illegal for former government officials to cash in by making \$25,000 or \$30,000 a month lobbying for foreign countries."

Mr. Perot went on to note that some of the top members of Mr. Bush's re-election staff have lobbying connections.

"You realize," Mr. Perot said, "some of these boys are now over, particularly in the Republican campaign — interestingly enough foreign lobbyists in key positions in the Republican Party campaign. This is why all this is so fouled up."

Because Mr. Perot did not delve into the subject in detail during the two-hour call-in, it was unclear whether his ban would include foreign aid matters or appearances by diplomats. Nor was it clear how he defined lobbying.

It is not unusual for representatives of foreign governments, whether Washington-based lawyers or diplomats, to meet with members of Congress. The same is true of foreign companies, although many are represented by American subsidiaries.

However, lobbyists for foreign governments are required to register with the Justice Department.

5 Women, No Feminists on This City Council

By Richard C. Paddock

PACIFICA, California — When the new city council is sworn in Monday, this coastal town will be run by what may be the first all-female governing body in the United States in more than a century.

But to the five women on the council it is not a political statement. It is just a coincidence.

"I earnestly feel with all my heart and soul that it's not a woman's issue in Pacifica," said Barbara Carr, a real estate agent who was one of four women voted onto the council earlier this month. "And by the way, I love men."

The last known case of an all-woman city council was in Cottonwood Falls, Kansas, in 1889, more than 30 years before women won the right to vote. According to the Chase County Historical Society, the town's "whiskey element" put up a slate of women as a joke. In retaliation, the women actively campaigned and won all five council seats and the office of mayor.

Pacifica has a tradition of electing women, beginning with the town's first mayor in 1957. Since then, there have always been

women on the city council and on various boards and commissions.

But even for Pacifica, it came as a shock June 2 when four women were elected to council seats in a field that included one other woman and 17 men.

"I think it was surprising it was all women," said a Pacifica travel agent, Sheila Hyman, who cast her ballot for three winners and one man. "I think people want something different and I think that's what's happening across the country. Things are changing."

The Pacifica voters all ran independent, issue-oriented campaigns and most stressed her sex. Afterward, they all said that being women had little or nothing to do with their victories and several took pains to distinguish themselves from feminist politicians.

Pacifica stretches seven miles (11 kilometers) along the rugged coast just south of San Francisco. With a population of 38,000, it has beautiful beaches and some of the lowest-cost housing in the region. It is a convenient bedroom community for San Francisco, but it is undoubtedly best known for the icy fog that rolls in from the Pacific and frequently blankets the community.

Perched on ridges and tucked into valleys, the town is linked to the rest of the world mainly by one coastal road. All in all, it is an insular place with small-town politics and voters who know the candidates personally.

The town has been caught up in a nasty fight over a new lighting and landscaping tax that was imposed by the previous city council. Angered by what they considered the council's arrogant attitude, the voters ousted four council members, including one woman, in a recall election in March.

Two weeks ago, the town voted to replace the ousted council members with Ellen Castelli, a real estate agent and recall leader; Vi Gotelli, a self-appointed civic watchdog; Julie Lancelle, a homemaker and activist, and Ms. Carr. All were well-known in the community. They join Councilwoman Bonnie Wells, the one member of the council who was not recalled.

"I really don't think the voters made any conscious decision to elect only women," said Ms. Wells, who is likely to be chosen by the others as the new mayor. "That's just the way results turned out. I think they chose four people who could do the job and they happened to all be women."

Budget Amendment: Scholars See Chaos

By Michael deCourcy Hinds

WASHINGTON — Among policymakers, economists and good-government groups, the idea of using the constitution to balance the U.S. budget is a matter of intense debate.

But among constitutional scholars there is something approaching a consensus: It is not a very good idea.

From conservatives like Robert H. Bork, the former judge, teacher and Justice Department official, to liberals like Laurence H. Tribe, a Harvard law professor who helped lead the effort to defeat Mr. Bork's nomination to the Supreme Court, the general view is that a budget-balancing amendment would be an empty promise that would demean the constitution and invite chaos in the courts.

"The whole thing strikes me as potential for a big legal mess," said Mr. Bork, now at the American Enterprise Institute, a conservative research organization.

Mr. Tribe, who favors a more active role for the judiciary than Mr. Bork, said the proposed amendment would cause a litigation nightmare.

The proposals now before Congress differ in details, but they would all require the Congress to balance U.S. receipts with outlays each year unless 60 percent of the members in each chamber approved a deficit.

However, the proposals give no clue as to how the deficit-heavy budgets would be balanced, how such a mandate would be enforced or what court would have jurisdiction.

Sponsors say the proposals can stand on their own, but they also say they plan to develop legislation

spelling out administrative details if an amendment is approved.

The House bill was introduced by Representative Charles W. Stenholm, Democrat of Texas. Senator Paul Simon, Democrat of Illinois, introduced companion legislation in the Senate, which is expected to take up the matter next week.

If approved by a two-thirds vote in both chambers and ratified by three-quarters of the states, the amendment would take effect two years after ratification.

Constitutional experts find many faults with both proposed amendments. Most of it begins with the criticism that they are merely a promise with no plan.

"Congress is saying, 'Once we have tied ourselves to the mast with this amendment, we will have the courage to not listen to the sirens of spending and won't get shipwrecked on another deficit budget,'" said Mr. Tribe.

Mr. Tribe and other experts said courts would not be able to enforce the amendment, but would nevertheless be deluged with lawsuits challenging congressional budget decisions.

The experts said the courts would not know if Congress were violating the amendment until the end of a fiscal year because budgets are based on projections of tax revenues and expenditures.

Neither proposal give the courts any guidance about what they should do if, in a previous year, Congress had run a deficit in violation of the amendment.

Courts could either decline jurisdiction in a political issue or else they could assume authority for erasing a deficit by eliminating programs or raising taxes, the experts said. Ultimately, the Supreme Court would be involved.

"I can just see the Supreme

Court wrestling with the national budget," Mr. Bork said. "It would tie them up in knots and we wouldn't find out until fiscal 2005 whether fiscal 1995 met the amendment. And what would the court do then?"

There are some constitutional experts who support such an amendment in principle while acknowledging the problems.

"Not every provision of the Constitution is fully enforceable," said Akhil Reed Amar, a professor of constitutional law at Yale University.

"Even if this proposed amendment weren't a clearly workable political rule or an easily enforceable judicial rule," he said, "it might give some moral status and strength to the fundamental idea that it is wrong for us to finance current benefits on the backs of our children and grandchildren, who, of course, aren't able to vote now."

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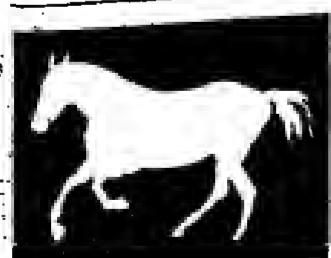
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//////SOOTHEBY'S//////HAMPTONS//////SAVILLS//////

Child Hit by Gunfire in U.S.

New York Times Service

NEW HAVEN, Connecticut — A kindergarten pupil, Cesar Sandoval, was critically wounded when a school bus taking him home was caught in gunfire between two groups of youths, the police reported.



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COLOGNE
GERMANY

Angry Czechs Call For Independence Amid Talks on Split

Compiled by Our Staff From Dispatches
PRAGUE — Angry Czechs, displeased with Slovak demands that they see as breaking up their country, called for their own independence on Thursday.
Several hundred people milled around the statue of Saint Wenceslas — symbol of Czechoslovakia's nationhood and rallying point for national ceremonies — to sign a petition demanding that the Czech lands of Bohemia and Moravia go their own way.

A few meters away in central Prague, the Slovak leader, Vladimir Meciar, was having meetings in the federal parliament before seeing Prime Minister-designate Vaclav Klaus for a second round of negotiations that threaten to pull Czechoslovakia apart.
"Czech politicians would Slovaks like a vain bride playing hard to get, giving in to their every little wish and whim," said a retired clerk, Libuse Prochazkova. "Slovaks have their pride, but so should we."
"It's an either-or situation now," said Jana Hubickova, a middle-aged editorial assistant. "I'd hate to see the situation drag on for two more years."
Two years of negotiations to accommodate Slovak demands for greater autonomy from Prague ended in stalemate before elections last week confirmed a deep split between the two regions.



Czechoslovaks signing petitions on Thursday at St. Wenceslas Square in Prague supporting a referendum on the nation's future.

In November 1989, hundreds of thousands of people thronged St. Wenceslas Square in demonstrations that led to the overthrow of Communist rule. Now, many Czechs accuse former Mr. Meciar, a former Communist youth leader, of wanting to restore socialism.
"If Slovaks want their own state so much, they can have it," said a private entrepreneur, Jindra Bauka. "Two and a half years ago we all stood here, swearing to drive communism out. And now it should go back? Never."
Another man shouted from the fringe of the crowd: "Meciar said he was never going to make a coalition with the Communists and now he's talking to them!"
The meeting between Mr. Klaus and Mr. Meciar should determine "whether we continue to negotiate the content of the federation or how to split the country," said Miroslav Macek, deputy chairman of Mr. Klaus's Civil Democratic Party.
A first meeting on Monday in Brno, halfway between Prague and Bratislava, failed to achieve anything, Mr. Meciar at that time put

Divorce With Slovaks? It Would Surely Be Genteel

By Joseph Fitchett
International Herald Tribune
PARIS — If it comes, a breakup of Czechoslovakia will be a civilized divorce, a sad aftermath to the Velvet Revolution by which the country shed Communist rule in 1989.
The prospect of the country's splitting into two entities carries on foreboding international overtones, on threat like Yugoslavia's implosion into civil war and ethnic butchery.
A divorce between the country's Czech and Slovak regions would probably be clean: the border between them has been peaceful for more than 1,000 years, neither side has minorities across the line that would be a cause of trouble — or militias to stir up trouble.
But Slovak insistence on independence — which the more powerful and prosperous Czechs will not resist — could be a step toward the emergence of a patchwork of small, mutually suspicious nations in Eastern Europe.

many respects resembles Italy's poor *Mazzogiaro*.
But the demise of the Czechoslovak federation would carry a risk of widening instability for the region. The inevitable tensions between Slovakia and Hungary would hamper the outlook for both countries to move toward solid ground politically and economically.
In addition, the collapse of unity in another country would fuel fears among Western governments that this "Balkan syndrome" is liable to infect all of Eastern Europe.
More optimistically, according to Mr. Rupnik, an independent Slovakia, once its nationalist aspirations were met, could be driven by economic pragmatism and start trying to keep up with the Western-

have felt secure as long as they were ruled by Prague in the Czechoslovak federation, but their attitude is liable to change sharply if they are living under a Slovak government with a popularity based on ethnic nationalism.
Rising tensions between Hungary and small neighboring Slovakia, whose own nationalism is largely
The first have sustained Western enthusiasm and aid, the second have dimmed hopes for early political and economic progress for themselves and, potentially, for the whole region.
Until this week, the Czech-dominated government in Prague — presiding over the Czech and Slovak regions that have been a country since the end of World War I — has kept Slovakia as a part of the fast-track group of countries.
But an independent Slovakia could well succumb to the syndrome of the other Balkan countries, in which the leaders, most of whom are ex-Communists, play the nationalist card to stay in power instead of concentrating on the process of moving their countries into the world market economy.

OPTIONS: U.S. Wavers on Military Gains and Risks EC: Bumpy Journey

(Continued from page 1)

using U.S. troops. We're not the world's policemen. It's a very complicated situation, but it's one that we're following very closely."
No official is believed to be proposing a direct combat role for U.S. forces. Instead, the emerging proposal seeks to bring what one policymaker called "enough pressure on the parties, especially the Serbs, to cease firing long enough that relief can be moved in."
Once a cease-fire is in place, however briefly, humanitarian efforts would begin and a military coalition could undertake to support and protect the relief workers.
The emergency response of U.S. policy on Yugoslavia coincides with growing calls outside the administration for the use — or threat of use — of U.S. military force.
President Alija Izetbegovic of Bosnia-Herzegovina pleaded Monday for an American air attack on the Serbian artillery emplacements laying waste to Sarajevo.
In Washington, Senator Richard G. Lugar, Republican of Indiana, said in a statement Wednesday that "NATO should draw up plans for a comprehensive use of force as thorough as that formulated for air, sea and ground forces in Desert Storm," the U.S.-led allied operation that evicted Iraqi forces from Kuwait last year.
General John R. Galvin, who returns this month as the top U.S. and NATO commander in Europe, said in an interview that military options short of large-scale combat "are in circulation" in the Bush administration.
General Galvin met Wednesday at the Pentagon and the White House with fellow regional commanders in chief, and discussed Yugoslavia this week with General Colin L. Powell, chairman of the Joint Chiefs of Staff, and Admiral Jonathan Howe, the president's deputy national security adviser.
The NATO commander suggested a sequence of events in which humanitarian relief efforts gradually could lead to more direct control of events on the ground in Yugoslavia's civil war.
Citing as an analogy the allied operation in northern Iraq to feed, shelter and protect ethnic Kurds from Iraqi retribution after the Gulf War, General Galvin said he did not seek to "start moving divisions into Yugoslavia."
"That doesn't mean that it's im-

Germany Rejects British Proposal to Limit EC Powers

Compiled by Our Staff From Dispatches
THE HAGUE — Foreign Minister Klaus Kinkel of Germany rejected Thursday a British proposal to limit the powers of the European Community's executive body, although there has been strong criticism of the Brussels bureaucracy within some member states.
Danish voters turned down the Maastricht accord in a surprise referendum vote last week, but the other 11 EC members have promised to press ahead.
Earlier this week, the British proposed to rescue the treaty with new curbs on the "centralist ambitions" of the EC Commission.
Mr. Kinkel refuted reports that Germany would agree to the British protocol, which would clearly state that the commission cannot deal with issues better left to national governments.
This principle, known in the EC as subsidiarity, is in the Maastricht agreement but in a less-explicit form.
"We are in favor of subsidiarity as it is written in the Maastricht treaty. We are not in favor of shrinking the commission's powers in any way," Mr. Kinkel said after a meeting with Foreign Minister Hans van den Broek of the Netherlands.

In another development, more than 60 German economists Thursday criticized the EC's planned economic union as an unneeded step likely to endanger further integration.
They issued an 11-point paper backing an economic and monetary union, but dismissing the Maastricht treaty as too weak and hastily prepared to achieve this.
In the aftermath of the Danish referendum, polls in several countries have reflected increasing fears that the treaty gives too much power to the EC's central bodies.
Mr. Kinkel and Mr. van den Broek said the Danish vote did not warrant alterations in the Maastricht treaty.
"Naturally, the Danish 'no' vote has caused some commotion here and there, both weak and strong and in practically all nations," said Mr. Kinkel.
"It's the same in Germany; we just have to deal with it," he said, adding that he expected Denmark to rejoin the mainstream.
Mr. van den Broek also rejected the British proposal as premature and said the door must be left open for the Danes to rethink their position.
"All kinds of ad hoc solutions are not relevant at this point," he said.
The statement from the German critics of Maastricht, mostly economists professors, included the names of economics ministers, Karl Schiller, and Herbert Giessach, former head of the Kiel Institute for World Economy.
"The hasty introduction of a European monetary union will expose Western Europe to strong economic tensions that can lead to political tension in the foreseeable future and endanger the goal of integration," wrote the dissenters.
The statement was published in both the Frankfurter Allgemeine Zeitung and Die Welt newspapers.
The statement said the Maastricht treaty was too weak to impose the long-term harmonization that all EC members must achieve to make an economic and monetary union work properly.
"Fulfilling the conditions on a certain date could be more or less accidental and therefore not proof of the convergence that is needed," they wrote.
Germany's states, worried that Maastricht could undercut their limited autonomy, added to the criticism on Thursday by threatening to block the treaty ratification if Bonn did not give them more voice in Brussels. (Reuters, AP)

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YELTSIN: Leader Sees Arms Cuts

(Continued from page 1)

if we do not come close now, then we must come closer when we meet face to face."
He used the interview to reiterate full support for his team of young economic reformers headed by a deputy prime minister, Yegor T. Gaidar. He poured scorn on speculation in the Russian press that recent appointments of representatives of the conservative industrial lobby in his government meant that he was backing away from economic change.
"By no means does this mean any slowing down in the reforms, because the president of Russia does not slow down the pace of reforms," he declared. "And if the generator does not slow the pace, then all other members of the Yeltsin-Gaidar team will proceed with the same speed."
The president said he planned to use his powers to push ahead with the privatization of Russia's still predominantly state-run economy.
Asked if he supported moves to put former Communist officials on trial for crimes during the Soviet era, Mr. Yeltsin said that he felt that some leaders should bear responsibility for their actions.

SUMMIT: Bush Faces Unhappy Allies in Rio

(Continued from page 1)

commitments from American industry. Here in Rio, in contrast, he will face governments that are committed to tough measures and are eager for U.S. support.
"This is the first summit where there are no superpowers," said Laurents Jan Brinkhorst, the European Community's director-general for the environment.
Billed as the first top-level international meeting on the environment, the conference has been dominated from the start by politics. The main attraction has been criticism of Washington for departing from other industrialized nations in opposing a tough treaty to control global warming and a treaty to preserve endangered plant and wildlife species.
The White House attack is the second time in less than a week that it has complicated Mr. Reilly's efforts to put the best face on U.S. policy. A confidential cable he sent to the domestic policy counselor, Clayton K. Yeutter, was leaked to the press, embarrassing Mr. Reilly and Brazilian diplomats, who had offered to "fix" the treaty on biodiversity so Washington could sign it.

EC: Bumpy Journey

(Continued from page 1)

as he trundled the rig around the Community.
In southern Italy, a bus driver with a load of passengers took a long detour to show him the way to the highway. Outside Palermo, he said, city and highway police came to blows for the honor of escorting the Euro-mobile into the city.
While the politicians argue about the pros and cons of Maastricht, the two Frenchmen and the Italian who have been taking the Euro-mobile around the EC have been finding out what people think about a united Europe.
They say they have hardly heard a discouraging word.
"We've been on the road for four months," said one of the men, Ettore Cassano, "and we never once were made to feel that we were 'abroad.'"

Ever since the Danes narrowly voted on June 2 to reject the treaty, the Euro-mobile team has been besieged with requests for information about the European unification process.

Yann Breger, the manager of the Euro-mobile, said the views of many Europeans about the community were contradictory. In one breath, he said, they worry about the Brussels bureaucracy interfering in their lives. In the next, they ask why the Community is not strong enough to take more decisive action in crises such as the civil war in Yugoslavia.
Despite Mr. Chirac's cold shoulder, the Euro-mobile was crowded on Thursday with groups of schoolchildren and passers-by. They watched a demonstration of the high-definition television that will be entering peoples' homes in the next year or so, and took away handfuls of leaflets about the Community and its aims.
The Euro-mobile tour is part of a \$36 million campaign by the EC Commission to shed its technocratic image and assume a more human face. The campaign also includes EC participation in the opening ceremonies at both the Albertville and Barcelona Olympics, despite criticism that the EC Commission has no business taking part in international sporting events.
But the Commission reasoned that the concurrence of the winter and summer Olympic games in Europe along with Expo '92 in Seville was a wonderful opportunity to blow its own horn.

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Who's Who in Eastern Europe?



If there were a "Who's Who" for Central and Eastern Europe, the publisher would

- Budapest,
- Moscow, Prague,
- Warsaw,
- St. Petersburg,
- Kiev. We're

have to put out a new edition almost every day.

It has been only some two years since the dawn of the free-market era.

The command economy has virtually ceased to exist, even in the country that in-

vented it. The Comecon trading bloc has been formally dissolved, documenting the desire of each member state to participate more fully in the world economy.

Both East and West stand to benefit from the trend toward closer commercial ties.

With a population of over 300 million, Eastern Europe represents a huge market for goods and services - one whose poten-

tial is increasingly being recognized by western firms with an eye to the future.

But for all the new opportunities, times of sweeping change are also times of risk. The transition to a market economy is taking on different forms and proceeding at various speeds across the region.

So to make sure that the uncertainties of doing business in the East remain manageable, western firms and investors need more than just a pioneer spirit.

If you've set your sights on long-term success, you'll need persistence, unconventional ideas and a willingness to implement them in unorthodox ways. And you'll have to find the right local partner for your particular business venture. But how are you to know who's who in the East?

And where are the prospects best for

the kind of operation you have in mind? Because western companies find it difficult to assess events in the East from a distance, they do the logical thing - they talk to us.

Dresdner Bank has a tradition of excellent contacts throughout Central and Eastern Europe. Indeed, we were the first West European bank to open a Moscow office, with Warsaw, Prague, Budapest, St. Petersburg and Kiev following. We are also a managing partner in a Budapest commercial institution, BKD Bank. BNP-Dresdner Bank (ČSFR) in Prague is about to follow, and expansion to other cities is planned as well.

Thanks to this longstanding presence and our first-hand knowledge of political and economic developments, we can better evaluate the opportunities and risks awaiting western exporters, importers and investors.

The end result is practical advice tailored to specific business needs.

DOWC Ost-West-Consult, a member of the Dresdner Bank Group, focuses exclusively on consulting services for companies looking to do business with our eastern neighbors.

Our consulting professionals augment their own in-depth experience in the various national business environments by tapping the resources of "drekontakt", a kind of electronic "Who's Who" for Central and Eastern Europe providing continuously updated information on potential partners and financing strategies.

If you would like to know who's who in Eastern Europe, there's an easy way to find out. Talk to us. You can find us in more than 60 countries throughout the world.

Convoy Reaches Sarajevo UN Unit Seeks To Open Airport

Compiled by Our Staff From Dispatches UNITED NATIONS, New York — A UN convoy carrying several dozen observers to investigate whether Sarajevo airport can be reopened arrived Thursday at the UN headquarters in the city, a UN spokesman said. The convoy spent the night Wednesday no the outskirts of Sarajevo after UN vehicles, sent to escort it into the Bosnian capital, turned back after being fired on. A French soldier was lightly wounded. The convoy, headed by Brigadier Lewis Mackenzie of Canada, set out from Belgrade. About 50 French military observers and air navigation experts are also due to join the group in the coming days. UN plans call for the force to collect all heavy and anti-aircraft weapons deployed within 30 kilometers (18 miles) of the airport. In a second phase, a minimum of 1,000 armed troops are to be deployed to guard the airport. But it remains unclear whether the Serb forces ringing the city will allow the plan to be carried out. Reports from the area said the convoy brought supplies for 100 UN monitors in Sarajevo. A UN team will try to secure a truce and open the airport for emergency relief for 300,000 civilians besieged in the city by Serb irregulars. The UN escort unit was attacked on Wednesday after stopping at a checkpoint and finding the road ahead mined. Gunmen opened fire. When the escort turned back, heavy shooting started, shattering windows and burning a tire on one vehicle and three on the other. The wounded French soldier was cut by glass but soon returned to duty. Fighting in Sarajevo subsided on Thursday after five days of heavy bombardment by Serb irregulars positioned in the hills surrounding the city. Serb militias have besieged the city for two months in their attempt to carve their own republic from newly independent Bosnia. But Muslim-led forces have scored some gains in recent fighting, and the UN sanctions are hurting Serbia's economy. Violent fighting was reported Thursday in the region of Mostar in southern Bosnia-Herzegovina, according to Zagreb radio. It said Croatian-Muslim forces were advancing towards Serbian artillery positions that have been pounding the city from surrounding hills. Bosnia's leaders have appealed repeatedly for foreign military intervention, but UN and European leaders have shown no inclination to send troops before a cease-fire in effect. (Reuters, AP, AFP)



ON THE MOVE — A Muslim irregular amid the smoking ruins of Tasovcici after it had been taken from Serbs, who had used it as a stronghold for attacks on Capljina and other places in western Herzegovina. The Serbs were said to be withdrawing to the east.

Georgian Attack Said to Kill 20 in South Ossetia

MOSCOW — A Georgian assault on separatist South Ossetia killed 20 people, wounded 60, and damaged much of the regional capital of Tskhinvali, it-Tass reported Thursday. The press agency said the assault took place over the preceding two days. South Ossetia is an autonomous region in northern Georgia that wants to unite with North Ossetia across the border in Russia. Hundreds of people have died in fighting there, and more than 100,000 South Ossetians have fled their homes to become refugees in North Ossetia; it has become one of the worst conflicts in the lands of the former Soviet Union. The press agency, reporting that most residential areas in Tskhinvali were in ruins, said Georgian militants had seized strategic high ground around Tskhinvali for their gun emplacements.

CHINA: Once-Trendy Capitalism Loses Its Charm as Layoffs Start to Hurt

Factories in Xian, Tianjin and Dalian were reportedly also disrupted by angry workers, and in some cases machinery was smashed. After a watch factory in Tianjin temporarily laid off 2,400 workers early this year, rumors of suicides, sabotage and military intervention rapidly spread throughout Beijing. The official Economic Daily recently denied the allegations, and said the factory had been closed and reopened, providing jobs for all but 300 of the previous workers. The government's talking about smashing its iron rice bowls, and making its pay for our own medical care," said a 29-year-old worker in Beijing. "Companies are even being fined to lay off workers! Of course folks are angry." The clashes and killings in recent months have been reported in an "internal" document and circulated among senior officials. Top leaders reportedly met recently to discuss the problem and decided to proceed cautiously. "We're very different from the former Soviet Union," said a Chinese government economist who has studied former Communist economies. "We already have a foundation of a market, and people can get jobs on their own if they have to. The changes may not be pleasant, but we can take it. But in Russia, there's no real market to speak of, the economy is shrinking, and all the changes have been introduced very abruptly." Han Dongfang, an independent labor organizer who was released a year ago after serving two years in prison, argues that the government is caught in a dilemma. "To raise living standards, the government needs to go ahead with economic reform," Mr. Han said. "But reform will involve trampling on the rights of workers, and a lot of people won't be very happy about it. These contradictions will grow in the next few years."

BUSH: Police Tear Gas Breaks Up Rally in Panama

(Continued from page 1) around him appeared puzzled about the popping noises, but within 30 seconds the small of tear gas began filling the air and eyes began to water. Mr. Bush stood up and appeared to head for the microphone before agents rushed him away. One held a bulletproof coat around his shoulders and offered him a handkerchief, which he did not accept. In the midst of the confusion, the presidential motorcade broke up into several parts as it rushed to escape the scene. Agents were seen loading live rounds of ammunition into M-16 rifles. Others were crouched carefully watching the crowd as it surged toward the president. Both the president and his wife appeared to be momentarily affected by the gas. Mrs. Bush shook her head and rubbed her eyes. The president looked pale. At the air force base, Mrs. Bush said, "I am perfect. He is fine." According to his physician, Dr. Burton Lee, Mr. Bush was O.K. — absolutely fine." But Dr. Lee said Mr. Bush did suffer minor ill effects from the tear gas. Before the rally, police had sealed off blocks of the capital after violent anti-U.S. protests by demonstrators angry about the deaths and destruction that accompanied the U.S. invasion to oust Mr. Noriega in December 1989. Many Panamanians contend that the United States has fallen short of its pledge to help revive the economy that was shattered during the invasion. The incident came a day after gunmen ambushed a U.S. military vehicle, killing one American soldier and wounding another. Bunting for the president's podium also was burned in demonstrations at the plaza on Wednesday. Some of these crowds had set dumpsters and tires on fire and clouds of black smoke billowed over the square minutes before Mr. Bush arrived at the plaza. At Albrook Air Base, a U.S. facility, Mr. Bush received an enthusiastic welcome from several hundred U.S. airmen and their dependents. "I will never forget the warm welcome that you gave me," Mr. Bush told the crowd at Albrook. "Democracy doesn't come easy," he said. "The day of dictatorship is over." Mr. Bush stopped off for a four-hour visit while on his way to the Earth Summit in Brazil where he planned a strong rejection of international criticism that the United States is not doing enough to help the global environment. Mr. Bush called the incident "a handful of people trying to disrupt this wonderful welcome. Don't let it disturb you. The plaza where we came from, there's a history of protest. You should have seen the wonderful welcome we had before a handful of protesters disrupted it." The president took a moment to pay tribute to the slain serviceman, telling the air base audience, "As we saw tragically just yesterday, there are times when some of your comrades are called upon to make the ultimate sacrifice." Mr. Bush thanked Mr. Endara for his "warm welcome from the minute we arrived.... Barbara and I will never forget the warm welcome we got as we drove from the airport." Despite a series of anti-American protests in recent days, friendly crowds waved Panamanian and U.S. flags along the president's motorcade route into the capital. In a luncheon toast, Mr. Bush said he sensed "nervousness" from Mr. Endara during the ride into town out of fear that more serious protests would break out. "But what I saw was that overwhelming welcome from the people along the streets. It expressed genuine friendship between Panama and the United States," he said.

Marion Barry, Ex-D.C. Mayor, Plans Comeback

WASHINGTON — Marion Barry, the former District of Columbia mayor who left city politics 18 months ago disgraced by a drug conviction, has decided to run this fall for the District of Columbia Council seat in Ward 8, the city's most impoverished area. Mr. Barry, 56, is mailing letters to about 8,500 Ward 8 voters this week to declare his candidacy as a Democrat. He will be opposed by the ward's longtime council member, Wilhelmina J. Rolark, and much of the city's political establishment, which has been supporting her and urging him not to run. In his letter, Mr. Barry vows that his campaign will be "a visionary, high energy, solution-oriented, spiritual crusade." He has never lived in Ward 8, but Tuesday he reported to the D.C. Board of Elections that he has formally changed his address to an apartment there. To get on the ballot, he needs to turn in 212 voter signatures by July 8. Mr. Barry was soundly defeated in his last political race, a bid for a citywide council seat during his last months as mayor. But he easily won Ward 8, which many civic leaders regard as the last place he could wage a formidable campaign.

Lower House Approves Bazin as Haiti's Leader

PORT-AU-PRINCE, Haiti — The lower house of parliament has voted to approve as Haiti's new prime minister Marc L. Bazin, a conservative economist and critic of the toppled president, the Reverend Jean-Bertrand Aristide. Mr. Bazin has the backing of the military and the de facto administration that took power after a Sept. 30 coup.

Marie-Martine The Marie-Martine ad announcing the start of the ESCADA sale appeared in the IHT 9 June by error. The sale will not start until 20 June. 8, rue de Sevres, Paris 6th Tel: (1) 42.22.18.44

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Advertisement for International Classified services. Includes sections for: TODAY'S REAL ESTATE MARKETPLACE, MOVING, ANNOUNCEMENTS, BUSINESS OPPORTUNITIES, EMPLOYMENT, OFFSHORE, and more. Lists various services and contact information for different regions.

Advertisement for 'The Baseball Jacket'. Features a large image of a dark-colored baseball jacket with 'Play Ball!' written on the sleeve. Text describes it as an American classic, made in the USA, and available in various sizes and colors (Hunter Green or Navy Blue). Includes contact information for Willabee & Ward.

Advertisement for Escort Services. Lists various agencies and their services, including 'Belle Epoch', 'Mercedes', 'International Escorts', and others. Includes contact details for each agency.

Advertisement for Willabee & Ward Baseball Jacket. Includes a detailed form for ordering, with fields for Name, Address, City/State/Zip, Signature, and Payment Method (Credit Card, VISA, Discover, Amer. Express). Also includes a 'Satisfaction Guaranteed' logo.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Help the Haitian Victims

Only one consistent principle seems to drive the Bush administration's approach to Haiti: Make life harder for ordinary Haitians...

Let the House Be Ready

What if none of the candidates for president wins in November? In a three-way standoff, the U.S. House of Representatives would decide...

A Ballpark for Yamauchi

It was not necessarily xenophobia (or worse, racial prejudice, as some alleged) that caused major league baseball owners to get so upset early this year at the idea of a Japanese businessman joining their numbers...

Other Comment

Skirting the Population Issue: One topic largely eclipsed at the Earth Summit — amid the talk of sustainable growth, biodiversity and global climate change — is the one that may matter the most: the population crisis.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman

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Director of the Publication: Richard D. Summers Chairman from 1933 to 1982: John Hay Whitney Editor for Asia: Michael Richardson, 5 Conventry Rd., Singapore 0511. Tel: 472-7768. Telex: RSC9928. Editor for Asia: Michael Richardson, 5 Conventry Rd., Singapore 0511. Tel: 472-7768. Telex: RSC9928. Editor for Asia: Michael Richardson, 5 Conventry Rd., Singapore 0511. Tel: 472-7768. Telex: RSC9928.

The U.S. Flip-Flop Means a Grayer Planet

RIO DE JANEIRO — Five years ago a group of countries approached the United Nations and asked whether we could put together a global treaty for the protection of plants and animals.

One delegation — from the United States — was insistent. For the first time, the number of species on Earth was declining, and the United States felt that we should at least look at the possibility of a treaty to address the problem. My own reluctance came from experience in dealing with the ozone layer. Countries simply will not give up any of their sovereignty unless they are faced with catastrophe.

By Mostafa K. Tolba The writer heads the UN Environment Program.

And now we have a convention, open for signature, that has been supported by nations on every inhabited continent. Eighty countries signed the final act. The United States is not a signatory. Its objection is that the convention is not perfect. To me it is a strange objection. Nothing that is a product of 175 squabbling nations, different in every possible respect, will ever be perfect.



holds out the prospect of resources and technology in exchange for continued stewardship. It has been suggested that the rich countries which will have to supply much of this technology will lose out. To me this is risible.

The "green technology" business is a \$300 billion-a-year growth market. If any country thinks that it has nothing to gain by developing that market, it is in deep trouble. The convention on biological diversity opens up a world of business opportunities. But it is not those business opportunities that should be foremost in our minds.

The real question is this: Does it or does it not put us on the road to ending the steady state of inaction against which the United States spoke so eloquently five years ago? Only one country has said that it does not. International Herald Tribune.

On Jobs, Bush Finds Good News in Strange Places

WASHINGTON — On June 6, while reporting a jump in the U.S. unemployment rate from 7.2 percent in April to 7.5 percent in May — the highest in eight years — the Bush administration and the Federal Reserve Board said that the economy was displaying underlying strength.

By Hobart Rowen

When a reporter asked Mr. Bush why the unemployment rate is rising if the economy is improving, he got his explanation: "Well, you have all these kids — you know, kids started coming out of school looking for work, and that adds to the numbers of people looking for jobs, and that pushes the unemployment rate higher than it would be if they stayed in school, which they can't because the term is over," Mr. Bush said.

gain in jobs is likely to be less than the growth in the labor force, which means that the unemployment rate will not fall, and could rise. Typically, a real economic growth rate around 3 percent is needed to offset the increase in job entrants. But expectations are that economic growth for the next year will not exceed 2 percent.

The Business of Running Schools: Let's Get It Right

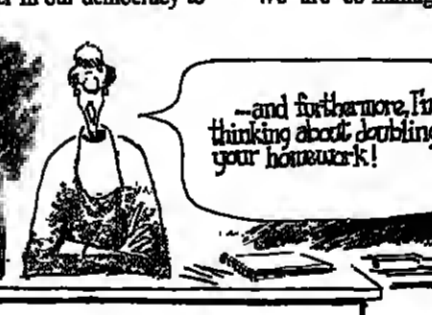
MINNEAPOLIS — America's public-school system is on the verge of radical change. The question facing reformers is whether the system will be reinvented or circumvented.

By David A. Bennet

But we disagree with the Edison Project's plan to circumvent — by a public-private arrangement — the public schools by needlessly building 1,000 profit-making technologically advanced schools that, Mr. Whittle and Mr. Schmidt hope, will serve as models for revolution in education.

Dade County, Florida, school system) a South Miami Beach elementary school and running private schools in Minnesota and Arizona.

Presumably, the Edison Project, in operating proprietary schools, will choose students it wants and reject others. But in working with public schools we are obliged to work with all children. No elitism here. How do you save schools, save money and increase revenues? Reduce the number and cost of noninstructional staff members; collaborate with government to avoid duplication (does a town need separate public and school libraries?); schedule a 12-month school year to maximize the use of facilities; rent excess space to private groups or public agencies; lease school technology for use after the school day is over; use cafeterias to feed the community; make buildings more energy-efficient; require students to help keep schools neat and clean, thus reducing custodial services.



A Truly Noble Role for Princess Diana

By William Safire

LONDON — In "The Madness of George III," a new play at the Royal National Theater, a monarch suffering mental illness is maltrated by his doctors but manages to recover. "The publicity the king's case drew," writes the social historian Roy Porter in the program, "... promoted greater public concern for the humane treatment of the mentally ill in the 19th century."

of Prince Charles are certainly eager to point out how impossible or spoiled Princess Di has been, how noble and long-suffering he is.

That's not going to fly; she is the more sympathetic character in this real-life royal drama. Any counter-blasting from background would backfire. Can Buckingham Palace, already rocked by divorces, do anything to affect the public reaction other than freeze into silence and hope it will blow over? Presuming the report about Diana's bulimia and self-destructive acts to be true, one Anglophile has a constructive suggestion. First, about the illness: Psychiatrists say that bulimia (like the related eating disorder anorexia) is often rooted in a lack of self-esteem in childhood; patients are often conscientious young people setting impossibly high standards for themselves. This is complicated by a culture that equates skinniness with desirability: It was the Duchess of Windsor who supposedly said, "You can't be too rich or too thin."

When a bulimic feels the ache of emptiness and loses control over eating, she tries to regain the approval she thinks stardom brings by purges or sticking fingers down the throat. The illness is often associated with feelings of depression, leading to the self-destructive "crises for help" attributed to Princess Diana. Bulimia can be fatal; it needs to be destigmatized and better understood. Some famous person — one unafraid to say she has experienced it — is needed to identify with other victims, and offer them hope for recovery while raising funds for research.

That is what modern princesses are for, not to be clotheshorses or garden-partygoers. Diana Spencer has not suffered anything like the madness of King George III, but she has already shown gutsy solidarity to friends with AIDS. She should now rise above embarrassment and her royal position and personal experience to help victims of bulimia everywhere.

The writer, a public-school administrator for 20 years, is president of Education Alternatives Inc. He contributed this column to The New York Times.

We have done some of these things, with no union problems, and plan to do the rest.

The Edison Project thinks it can operate schools at \$5,500 a student each year, just about the national average. We have shown we can. The Edison Project apparently requires state legislation for a voucher approach that would enable parents to send children to public or private schools. We do without vouchers.

Traditionally run public schools are structures that are often unresponsive to parents' and students' needs. But if we don't listen we get fired. Baltimore hired us for five years; if it doesn't like our work, it can drop us after a year. The risk to both parties is worth it. And the children can't lose.

The writer, a public-school administrator for 20 years, is president of Education Alternatives Inc. He contributed this column to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Venezuelan Strife NEW YORK — The Herald published the following telegram from its Special Correspondent at Puerto Cabello, Venezuela: "The [Chilean] rebels are driving the Federalists to the wall. General Crespo heads the army, which is marching on Caracas, and President Palacios is virtually a prisoner in his Casa Amarilla. Terror reigns at La Guayana, and fears are entertained of a simultaneous attack upon that town and Caracas. An attack from the sea is also apprehended. In the decisive battle which commenced on May 7 and continued for seven days, 1,000 of the Government troops are reported to have been killed."

1917: At the Ballpark NEW YORK — "Christy" Mathewson's Cincinnati Reds proved the undoing of McGraw's New York nine, and in consequence the irrepressible Phillies now are setting the pace in

Ask Liu If This Policy Has Helped

By Anthony Lewis

BOSTON — When President George Bush last week extended trade preferences to China, for another year, he once more refused to attach any human rights conditions. To do so, his spokesman said, would only "isolate China"; the Bush policy of "constructive engagement" gave the United States more influence.

The question is what the policy accomplishes. And that is to be measured not by abstract phrases but by what it concretely does for the victims of tyranny in China. Here is the story of one of those victims, Liu Gang.

Liu Gang was part of the student movement for democracy that culminated in the Beijing massacre of 1989. He was a physics student under Professor Fang Lizhi, the leading democracy advocate, and his wife, Professor Li Shizhan.

He was first arrested on Jan. 1, 1987, along with 52 other students, when they marched to protest an ugly incident in Shanghai.

The police there beat up a woman student when she started to dance with a visiting American at a party arranged by the authorities.

In 1988, Mr. Liu organized open meetings at Beijing University on political reform. These "democracy sessions" brought threats from the police.

During the Tiananmen Square demonstrations for democracy, Mr. Liu was one of the coordinating leaders. Those involved say he was a moderate, advocating gradual democratization of China under the Communist Party's leadership.

"Liu's style is to be open and aboveboard," Professor Li has said. "He never supports violent action."

But his moderation did not help him after the crackdown and massacre in Beijing. He was arrested, held for 20 months, then tried and sentenced to six years in prison for organizing disturbances to "overthrow the people's government."

Liu Gang is in a prison in northeast China with a name that Orwell would have appreciated: the Lingyun General Anti-Faction Training Brigade. Political prisoners there are said to face appalling conditions. They are packed 40 to a cell with common criminals, made to work 14 hours a day, inadequately fed, beaten with belts and electric batons.

That picture of life in the "auto factory" was given in a statement passed to foreign correspondents in Beijing last Nov. 6 by supporters of Liu Gang and five other political prisoners. It said that the six would begin a hunger strike on Nov. 15 to protest the conditions. That was the day Secretary of State James Baker was due to arrive in China on his first visit since the Beijing massacre.

According to the Committee to End the Chinese Gulag in New York, Liu Gang did begin a hunger strike. But the authorities forced him — and in the process his arm was broken.

What has the Bush policy of "constructive engagement" done for Liu Gang and other imprisoned leaders of the democracy movement?

When Mr. Baker was there in November, the government promised him that it would account for the hundreds imprisoned after the Tiananmen Square crackdown. It has provided little information and released only a few prisoners.

The government promised Mr. Baker to give exit visas to 20 dissidents and let them leave the country. It has allowed two to leave.

It promised to stop exporting prison products to the United States, and to sign an agreement to that effect. Since U.S. customs has intercepted Chinese diesel engines made by prisoners. And the agreement has not been signed.

Beijing has done one curious thing. Last month its news agency issued two photographs of Liu Gang, saying they refuted stories of his mistreatment. One showed him playing volleyball in a prison yard. But the pictures, if they were of Mr. Liu, were undated — useless as proof of his condition now.

On the facts, "constructive engagement" has not helped the victims. It would be easy enough to set modest goals for a real policy: for one, access by international observers to political prisoners like Liu Gang.

"Liu Gang never viewed himself as a hero," Li Shizhan said. "He just wanted to take concrete, practical actions that would contribute to China's progress.... Any effective pressure on the Chinese Communist rulers helps those whom they persecute and helps the Chinese people."

The New York Times.

Where When... Action Against... Various small advertisements and notices on the right edge of the page.

OPINION

Where Were Perot's Fans When This Outsider Ran?

By Kathleen Quinn

NEW YORK—Here's a question for Americans who support Ross Perot: If he were black, would you vote for him? If your answer is, "Why, you bet your cowboy boots I would!" then answer this: Where were you when the Reverend Jesse Jackson ran for president?

Stop and think for a second: Mr. Jackson personally rescued a U.S. Navy flier who had been shot down and held captive in the Middle East. Mr. Jackson has condemned "business as usual" in Washington for a decade. He wanted to rebuild America and expand its job base. He stood for education and tax fairness.



Mr. Jackson walked the streets and lifted despair with his cry of "Keep hope alive!" I didn't see Mr. Perot there. While America's first welfare billionaire was sitting inside the White House chatting with presidents, Mr. Jackson was marching outside the White House, arm in arm with the jobless and the powerless.

From One Judge, at Least, Women in Danger Get Help

By Colman McCarthy

WASHINGTON—Among court officials, police and journalists in Boston, the death of Kristin Lardner, a 21-year-old art student, on May 30 has become known as the Brookline murder. Few recent homicides have received as much publicity.

On June 1, the story ran as the Page 1 lead of The Boston Globe, accompanied by a photograph of the young woman. The next day, The Globe used the top of the front page for a story on the socio-

economic and political conditions in the Balkans. For nearly a year, many crises—including European Community military observers—have been saying that the only way to stop Slobodan Milosevic is to threaten military action, impose a total economic blockade and clear Croatian and Bosnian airspace of Serbian jets and helicopters.

Those Who Cannot Hide. Srdjan Pavlovic ("Serbs in Opposition," Letters, June 5) is probably correct in stating that there are many young Serbs who, like him, have refused to serve and are hiding at home or abroad.

Enjoying Water in Peace. The attached extract from a forthcoming biography of Marie Perle of Switzerland by my wife, Virginia, may be of interest to your readers, when environmental issues are receiving much attention.

My driver said: "We are in luck to be here just at this time of the day because you will see a marvelous sight: It is the time for the animals to come to drink, and we must stop and watch them. We looked down near a pond—really a small lake, and could see elephants coming slowly and majestically; they drank their fill and went quietly away. Then came giraffes, who drank with their front legs wide apart. After them came the lions; after drinking enough, they also went away without a sound or noise of any sort. Then came other wild beasts, and after them different kinds of antelopes. Still nothing untoward happened. They all went their ways peacefully back into the bush.

My African companions said to me: "Now you see how the animals are much more clever than we because they never fight at the spot where they drink water. They have between them an understand-

LETTERS TO THE EDITOR

Action Against Serbians. For nearly a year, many crises—including European Community military observers—have been saying that the only way to stop Slobodan Milosevic is to threaten military action, impose a total economic blockade and clear Croatian and Bosnian airspace of Serbian jets and helicopters.

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ADVERTISEMENT

INTERNATIONAL FUNDS

June 12, 1992

Table listing various international funds with columns for fund name, ticker symbol, and price. Includes sections for 'Other Funds' and 'Other Funds'.

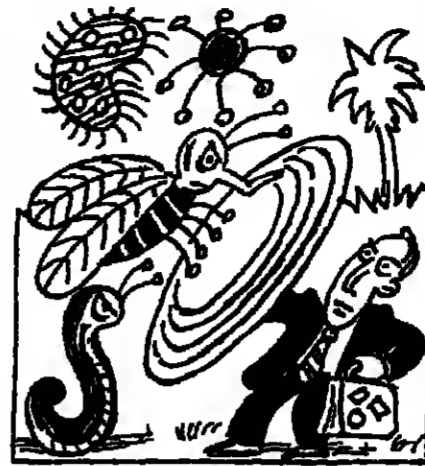
INTERNATIONAL HERALD TRIBUNE

THE ARTS GUIDE

Warning: On the Road, Heal Thyself

By Roger Collis International Herald Tribune

DURING my corporate days, we always got visiting firemen from Broken Springs, Colorado, to make the first stop Paris, so that by the time they arrived at our European headquarters in Geneva to review budgets, unfamiliar food and drink had taken its familiar toll. The idea was not to put them hors de combat, but just to loosen them up for our disquisition.



worm, transmitted by polluted water. Twelve pages are devoted to "safe water" including advice on how to buy a purification unit. "With food and water hygiene," Dawood says, "You have to relearn what to look for; you have to accept that a fly in a five-star hotel hasn't suddenly become clean. It just takes one fly to land on your food once."

What this means is choosing food that has been freshly and thoroughly cooked and served hot. Avoid salads that may have been washed in polluted water and prepared buffets (mayonaisse is a notorious source of salmonella poisoning). What looks appetizing can be a poor guide to safety. Local dishes, like curry, are often safer than Western food. Fruit should always be peeled. And above all, never drink bottled water and avoid ice in drinks. I agree that a warm gin isn't much fun. But brushing your teeth with duty-free malt whisky need not be an undiluted disaster.

THEN there are diseases spread by contact with humans, fresh water, sand and soil. These include tuberculosis (a resurgent scourge), tetanus and bilharzia. Dawood says he picked up "creeping eruption," a type of hookworm that burrows under the skin, from a beach in Florida. (It is normally found in Asia and the Caribbean.) The advice is to walk barefoot on sand only below the high-water mark and to avoid swimming in lakes and rivers. Twelve chapters are devoted to diseases spread by insect bites: yellow fever, dengue fever, sleeping sickness, malaria and a group of exotic nasties called arboviruses.

The rest of the book covers pretty well everything from snake bites and altitude sickness to eye troubles, dental emergencies and AIDS as well as the dangers of unsupervised snorkeling. There's a chapter on what medicines and medical supplies you might want to take on a trip, along with sources of advice and immunization units on both sides of the Atlantic.

By this time you may be off to join Hypochondriacs Anonymous. But with sensible precautions you should be able to rest easy. Perhaps the greatest risk for the business traveler these days is to get back to the office and find his computer has gone down with a virus.

"Travelers' Health" by Richard Dawood is published by Oxford University Press at \$7.99.

to: "These are the jobs you need (sometimes vaccinations aren't mandatory but that doesn't mean they're not important for your own protection), here are your malaria tablets, be careful with the food and water."

"People then think they've done all they can. After all, they say, we're going to the best hotels, we're not going to mix with the locals, we don't need to worry. Nothing could be further from the truth."

The good news is that improved vaccines are now becoming available for hepatitis A, and for typhoid: The first gives protection with a single course of injections for 10 years, replacing the old, painful gamma globulin injections you needed for each trip; the second is a new oral vaccine, replacing the fairly unpleasant typhoid shots.

The bad news is the growing resistance of malaria not only to the traditional chloroquine but also to recent medications.

There are now parts of the world, such as the Thai-Cambodian border, where the effectiveness of the latest oes preventive drug, mefloquine (Lariam in the U.S.), has been reduced to 30 percent through drug resistance," Dawood says. "There is now resistance in areas where the drug has not been introduced yet."

The book is "prevention based" and divided up according to how disease is spread. The first chapters deal with diseases caused by food and drink and poor hygiene; diarrhea and intestinal infections and a nasty thing called Guinea

Each year, there are more than 2,000 cases of malaria in travelers entering the U.K., and 1,000 in travelers entering the United States." The message is: There are teeming health hazards for the unwary traveler, especially in countries outside North America, Northern Europe, Australia and New Zealand. But they're easily avoided if you take a few sensible precautions.

Dawood, an inveterate traveler — he says he has visited 70 countries and walked through the jungle of the Darien Gap in Central America to check out his medical advice — is the editor of "Travelers' Health," which has become something of a classic since it first appeared back in 1986.

THE third edition, published last month in England, is brought up to date on crucial issues such as malaria, new vaccines and immunization, along with eight new chapters — ranging from how to beat jet lag and motion sickness to cholera. There are contributions from 53 specialists to provide practical advice on travel health problems — both exotic and mundane. They include such luminaries as Dr. David Warrell, the editor of the "Oxford Textbook of Medicine," who wrote the chapter on animal bites, and Dr. Aric Zuckerman, the dean of the Royal Free Hospital School of Medicine, on viral hepatitis. The emphasis is on self-diagnosis, how to check that you are getting the right treatment and in an emergency how to treat yourself.

"Never delegate responsibility for your health abroad to others, however busy or preoccupied you may be," Dawood says. "Take personal charge. Even if you can find a doctor, it doesn't guarantee that you'll get appropriate treatment. Business travelers tend to have a false sense of security. Most advice is restricted



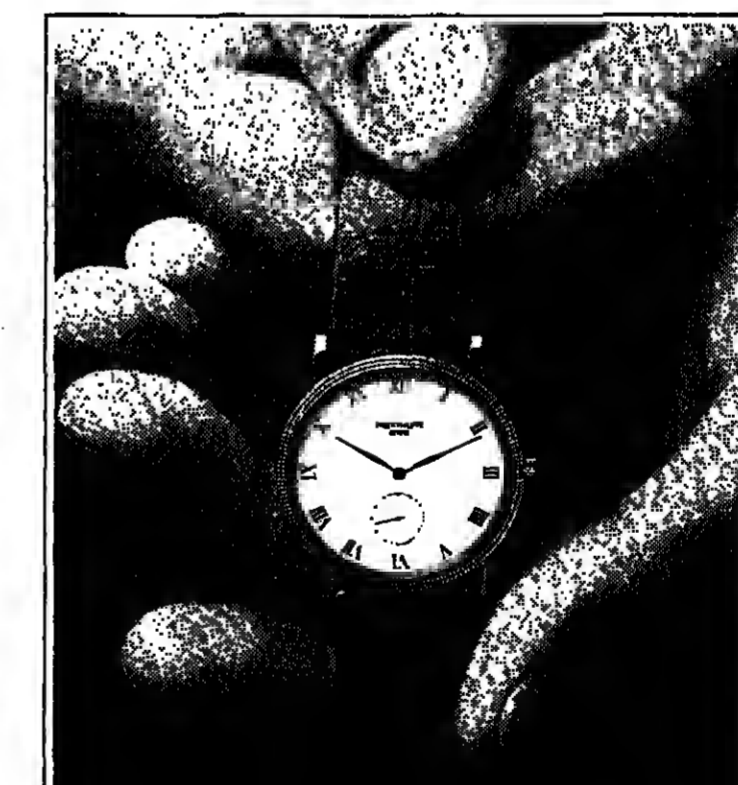
Currently in Washington, "Arnold Newman's Americans." John F. Kennedy, left, and Zero Mostel.

- AUSTRALIA Sydney Powerhouse Museum (tel: 217.01.11). To July 20: "The Lie of the Land." A look at how images of Australian landscapes are portrayed in advertising through various media, posters and bumper stickers included. Also to Dec. 1: "Australian Crafts: New Works 1988-1992." Exhibition features the beauty parlors of the '50s with original fittings, films and photos. VIENNA Albertine (tel: 534.83). To July 11: "The Equivalence of the Body." The show deals with body language in art and brings together 120 masterpieces of graphic art by such artists as Dorner, Mantegna, Michelangelo, Ribera, Rembrandt, Goya, Klee and LaComber. VIENNA Kunsthaus (tel: 712.04.91). To Aug. 3: "Biedermeier." Paintings, drawings and sculptures by the Austrian artist, Fernando Botero. VIENNA Künstlerhaus (tel: 587.97.83). To Oct. 4: "God, Man, Pharaoh: 4,000 Years of Human Representation in the Sculpture of Ancient Egypt." 250 major works of art from the leading collections in Europe and the United States. BELGIUM Brussels Musée d'Art Moderne (tel: 513.95.30). To June 21: Exhibition of works by the Belgian sculptor Jean-Paul Lauen. Most exhibits come from his private collection. BRITAIN London British Museum (tel: 323.85.25). To Sept. 6: "Mexican Painted Books Before and After the Spanish Conquest." Some of the finest ancient Mexican painted books and manuscripts. Queen Elizabeth Hall (tel: 228.88.00). July 1 and 2: Robert Saxton's first opera "Caritas." CANADA Montreal Canadian Center for Architecture (tel: 938.70.00). To June 21: "John Hejduk: The Lancaster/Henover Project." 40 drawings describing a masque intended to be worn over a 12-hour period. Musée d'Art Contemporain (tel: 573.28.78). To Oct. 11: "Four in Suite of Works." An international exhibition which is one-third of the work is created by Canadians, inaugurates the contemporary museum. CZECHOSLOVAKIA Prague Tance (tel: 54.47.29). June 20-30: Festival of Contemporary Dance and Czechoslovakia includes troupes from Western and Eastern Europe. DENMARK Copenhagen Louisiana Museum of Modern Art (tel: 4219.07.19). To Aug. 9: "Jeff Wall." Features works by this Canadian photographer, most of them from the past decade. FRANCE Bordeaux Musée d'Aquitaine (tel: 56.10.17.11). To Sept. 20: "Eternity in Pharaoh's Tomb." The Book of the Dead, Papyrus, stelas, jewelry from the New Kingdom (15th to 4th century B.C.). Chartres Musée des Beaux-Arts (tel: 37.36.41.39). To Oct. 5: "Inca Art in the Museums of the City of Cuzco." Religious artifacts, ceramics, weapons. Paris American Church (tel: 39.57.89.98). June 12, 8.30 P.M.: The Cincinnati School for Creative and Performing Arts in song and dances from Broadway and Hollywood. Maison de la Culture de Seine-Saint-Denis, Bobigny (tel: 48.50.60.55). To June 14: "3d International Festival of International Choreographers at Bagnolet." Festival showing the works of 17 choreographers from 11 countries. Musée Rodin (tel: 47.05.01.34). To July 19: "Rodin, 7,200 Dessins." A veritable inventory of the artist's drawings. Théâtre du Châtelet (tel: 40.28.28.28). Alban Berg's "Wozzeck" conducted by Daniel Barenboim, staged by Patrice Chéreau. June 13 and 15. GERMANY Berlin Artiensammlung (tel: 32.09.11). To July 5: "The Fame of the Parthenon." Drawings and engravings of Rome's great monuments. Berliner Werner Fassbinder Foundation (tel: 313.45.08). To July 19: First complete retrospective of the German moviemaker marks the 10th anniversary of his death. Frankfurt Schirn Kunsthalle (tel: 299.98.82). To Aug. 9: Major retrospective of the Norwegian-born expressionist Edvard Munch, a major figure in German Expressionism. IRELAND Dublin Irish Museum of Modern Art (tel: 71.86.66). To July 5: "Glasnost: The Artist's Studio." Actual works as well as photographs and documents of the artist's studio. ISRAEL Jerusalem The Israel Museum (tel: 70.89.11). To Oct. 30: (tel: 70.80.42) "Ezra's Tablets." A display of rare Hebrew manuscripts along with a few of the remaining artifacts from Spanish Jewry before the expulsion from Spain in 1492. Also, to Aug. 16: Decade of designs and drawings from the winner of the Grand Prix Nationale de la Création Industrielle, Sylvain Dubousson. To Nov. 30: "Gods and Mortals." 35 ancient masterpieces portraying gods and mortals from Egypt, the ancient Near East, Greece and Italy date from the 8th millennium B.C. to the 4th century A.D. ITALY Florence Sottoranei di S. Lorenzo (tel: 28.88.11). To Sept. 6: "Church and City in Florence in the 15th Century." Religious life in Florence under Lorenzo the Magnificent. Speciale degli Innocenti (tel: 24.36.70). To July 26: "Architecture in Florence and Tuscany at the Time of Lorenzo the Magnificent." The exhibit shows the influence that the age of Lorenzo had on the Renaissance's history of architecture. Palazzo Medici-Riccardi (tel: 55.27.60). To Aug. 30: "Le Temps Reviens: Fests and Spectacles in the Time of Lorenzo." The contributions of the Medici to the world of entertainment. Los Angeles The J. Paul Getty Museum, Malibu (tel: 459.76.11). To July 19: Italian Master Drawings from 1450 to 1800, featuring works by Renaissance and Baroque Masters such as Leonardo da Vinci, Raphael, Annibale and Agostino Carracci, and 18th-century artists Giovanni Battista Tiepolo and Francesco Guardi. Museum of Modern Art (tel: 440.68.40). To July 19: "70 Years of Soviet Filmmaking: From the Archives." A historical survey of Soviet films made between 1922 and 1991. Whitney Museum of American Art (tel: 570.36.33). To Aug. 30: "The Paintings of George Bellows." The works, including landscapes, seascapes, portraits and street scenes capture the vitality of American life at the turn of the century. Pasadena Norton Simon Museum (tel: 440.68.40). To Nov. 1: "Las Provincias de Francisco Goya." Numerous etchings by Goya (1764-1824). Washington Corcoran Gallery (tel: 638.32.11). To Aug. 16: "Keith Haring, Andy Warhol, and Walt Disney." Brings together three artistic voices who may be considered the main chroniclers of 20th-century popular culture. Smithsonian Institution (tel: 557.27.00). To Dec. 6: "Arts of Mogul India." Twenty paintings and six objects from the late 16th to 18th century. Includes portraits of the Mogul emperors and members of their court as well as other paintings and objects made under royal patronage. Also, to Aug. 16: "Arnold Newman's Americans." Newman's sitters include Marilyn Monroe, Isaac Stern and Dwight D. Eisenhower. SWEDEN Stockholm National Museum (tel: 666.42.50). To Oct. 4: "Louis Jean Despres." Topographical views, stage decorations and architecture by the French stage designer and architect, a favorite of Gustav III of Sweden at the end of the 18th century. SWITZERLAND Lausanne Musée de l'Elysée. (tel: 817.48.21). To Aug. 30: "Wim Wenders, Photographer." Images from America and Australia, showing their influence on his films. UNITED STATES Chicago UIC Theater (tel: 864.33.70). To June 21: International Theater Festival of Chicago features three internationally acclaimed companies, Poland's Akademia Ruchu, Theatre Repere of Canada and Brown University's Fitas and Reason. Houston The Museum of Fine Arts (tel: 526.13.61). To Aug. 23: "Recent Acquisitions: Prints and Drawings." Prints and drawings from the postwar era through Postmodernism.

DO'S AND DON'TS

- 2 Trips to the Doctor Do visit your doctor before and after the trip — especially if you're going somewhere in Africa. Getting Immunized Do make sure you get all the shots you need, not just those that a country requires. On Your Guard Don't assume that a five-star hotel confers safety. Bottled Water Don't assume that tap water is safe outside North America, North and West Europe, Japan and Australasia. Stick to bottled water, brought to you unopened. Battle of the Bugs Do avoid insect bites at all costs. If you're outdoors, wear long-sleeved shirts and use a good insect repellent. Avoid wearing perfume.

For more than a century and a half, Patek Philippe has been known as the finest watch in the world. The reason is very simple. It is made differently. It is made using skills and techniques that others have lost or forgotten. It is made with attention to detail very few people would notice. It is made, we have to admit, with a total disregard for time. If a particular Patek Philippe movement requires four years of continuous work to bring to absolute perfection, we will take four years. The result will be a watch that is unlike any other. A watch that conveys quality from first glance and first touch. A watch with a distinction: generation after generation it has been worn, loved and collected by those who are very difficult to please; those who will only accept the best. For the day that you take delivery of your Patek Philippe, you will have acquired the best. Your watch will be a masterpiece, quietly reflecting your own values. A watch that was made to be treasured.



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PATEK PHILIPPE GENEVE Parok Philippe S.A. 41, rue du Rhône - 1211 Geneva 3 - Switzerland

Crossword puzzle grid with clues for Across and Down. Clues include: 1. Chryseus, 2. — of Two, 3. Cities, 4. Unconscious, 5. About to arrive, 6. Common Market initials, 7. Incarnation of a god, 8. The "Kreutzer", 9. Tolstoy, 10. Shakespearean sprite, 11. Steinbeck work, 12. Fog's companion, 13. Talking tree of fantasy, 14. Mott, 15. Whip, 16. Poker necessity, 17. To retire, use this, 18. Star in Perseus, 19. Pandora's box?, 20. Soapy minerals, 21. Goad, 22. Simon —, Mat star, 23. Spanish hero El, 24. Servants, 25. Pyromaniac's crime, 26. Aircraft in Lyon, 27. Middle, 28. Lingo, 29. Welding o Louisville Sluggo, 30. Phone lead-in, 31. Super-duper, 32. Scottish "since", 33. Wager, 34. Baton Rouge inst., 35. Herdic, e.g., 36. Somersal, in Vt.

NYSE

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Div.	Yield	High	Low	Price	Change
AAPL	0.00	0.00%	111.00	110.00	110.00	+1.00
IBM	0.00	0.00%	165.00	163.00	163.00	+2.00
MSFT	0.00	0.00%	145.00	143.00	143.00	+2.00
GE	0.00	0.00%	38.00	37.00	37.00	+1.00
GOOG	0.00	0.00%	220.00	215.00	215.00	+5.00
DIS	0.00	0.00%	65.00	64.00	64.00	+1.00
INTL	0.00	0.00%	145.00	143.00	143.00	+2.00
JNJ	0.00	0.00%	145.00	143.00	143.00	+2.00
PFE	0.00	0.00%	45.00	44.00	44.00	+1.00
MRK	0.00	0.00%	35.00	34.00	34.00	+1.00
AMT	0.00	0.00%	165.00	163.00	163.00	+2.00
INTL	0.00	0.00%	145.00	143.00	143.00	+2.00
AMT	0.00	0.00%	165.00	163.00	163.00	+2.00
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Cummins's Reaches Cr...

NEW YORK — Cummins Inc. has reached a deal with its creditors to restructure its debt, a move that could allow the company to avoid Chapter 11 bankruptcy protection.

The deal, which was announced on Thursday, involves the exchange of existing debt for new securities and the restructuring of the company's capital structure.

Cummins, which is the parent company of Cummins Engine Co., has reported significant losses in recent years due to a decline in demand for its products.

The company's stock price has fallen sharply, and it had filed for Chapter 11 protection in late 1991. The new deal is expected to be completed by the end of the year.

"This is a landmark deal for Cummins," said a company spokesman. "It shows that we are committed to our long-term success and that we have found a way to overcome our current challenges."

THREE Street...

stock First Am... trucks have been... for such trucks are... Moreover, Cummins'... market share, which... from well over 50 percent... percent, if not over 70... Finally, Cummins is... reaping the benefits of... 1990. It also helps... investment in electronic... nologically with Deere... The good news repr... Wall Street had heard... \$94.75 in 1994.

During the mid-1980s, its profits to feed off a... Mitsubishi, Nissan and... As that battle wound... developed, along with... First, British's Harison... Ltd., a Hong Kong-based... Ronald Brierley of New Z... as prelude to takeover... of Japan, bought 17 percent... At the same time, Roge... entrepreneur, was whisking...

WALL STREET

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(Continued on Page 15)

Currency Rates

Currency	Rate
British Pound	1.65
Japanese Yen	145.00
German Mark	1.75
French Franc	6.55
Italian Lira	1936
Spanish Peseta	166.64
Dutch Guilder	3.60
Swiss Franc	2.00
Belgian Franc	36.36
Australian Dollar	1.65
New Zealand Dollar	1.65
Canadian Dollar	1.00
Hong Kong Dollar	7.80
Singapore Dollar	1.35
Thai Baht	48.00
Sri Lanka Rupee	200.00

Other Dollar Values

Country	Per \$	Contract
Canada	0.75	Canadian Dollar
UK	0.62	British Pound
Japan	110	100 Yen
France	6.55	100 Francs
Italy	1936	100 Lira
Spain	166.64	100 Pesetas
Germany	1.75	100 Marks

Forward Rates

Country	30-day	60-day	90-day
Canada	1.270	1.275	1.280
UK	1.600	1.610	1.620
Japan	145.00	145.00	145.00
France	6.55	6.55	6.55
Italy	1936	1936	1936
Germany	1.75	1.75	1.75

NYSE High-Lows

Symbol	High	Low
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00

AMEX High-Lows

Symbol	High	Low
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00
Amgen	145.00	143.00

For investment information
read THE MONEY REPORT
every Saturday in the IHT

مكان من الصحف

هكنا من الاجل

Lonrho Cleared to Sell Hotel Stake to Libyans

LONDON — The government said Thursday that it would allow Libya to buy a one-third stake in Lonrho PLC's Metropole Hotels...

S&P Lowers Debt Rating of Barclays

LONDON — Standard & Poor's Corp., the credit-rating agency, said Thursday it had downgraded Barclays PLC, the biggest banking company in Britain...

Bundesbank Expects No Grumbles From G-7

FRANKFURT — The Bundesbank, fighting inflation with record high interest rates, has again ruled out a relaxation of monetary policy...

Shell Selects Aker, Dresser For Large Gas Project

OSLO — Royal/Dutch Shell Group said it awarded on Thursday the largest contract in Norwegian history to Aker A/S and Dresser Industries Inc. to build a plant to process North Sea natural gas...

Investor's Europe

Table with market indices for Frankfurt DAX, London FTSE 100, and Paris CAC 40, including daily and previous closing prices and percentage changes.

Pilkington Profit Slumps 49%

LONDON — Pilkington PLC, the glassmaker, said Thursday that its pretax profit plunged by nearly half in the year to March 31, dropping 49 percent to £77 million (\$141 million)...

Bae Will Eliminate 720 More Jobs

LONDON — British Aerospace PLC announced Thursday that it would eliminate 720 jobs by the middle of next year...

Sealink Ordered Not to Rock Boat

BRUSSELS — The European Commission said Thursday it had ordered the British ferry company Sealink Stena, owned by Sweden's Stena Line AB...

Very briefly:

- List of brief news items including MFI Furniture Group PLC, Daimler-Benz InterServices, and UNI Storebrand A/S.

CUMMINS: ACCOUNT: The Eastern Frontier Any Upside Left?

(Continued from first finance page) A Polish company did stumble across the fact that it also owned some lovely mansions and a fair amount of land down by the side of the local lake...

NYSE Thursday's Closing

Table showing NYSE Thursday's closing data for various sectors like Industrials, Chemicals, and Pharmaceuticals.

Table showing NYSE Thursday's closing data for various sectors like Consumer Goods, Energy, and Transportation.

Longines advertisement featuring a portrait of Ernest Francillon, a pocket watch, and text describing the 'Oldest Longines' challenge with prizes and watch history.

Vertical text on the far left edge of the page, including 'REAL ESTATE', 'DIRECTORY', 'ENTER', 'ACE TRAVEL', and 'Cribune'.

NASDAQ

Friday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
10	10	ABT		4.5	10	10	10	ADP		3.5	10	10	10	ADP		3.5	10
11	11	ADP		3.5	10	11	11	ADP		3.5	10	11	11	ADP		3.5	10
12	12	ADP		3.5	10	12	12	ADP		3.5	10	12	12	ADP		3.5	10

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
17	17	AIA		4.2	11	17	17	AIA		4.2	11	17	17	AIA		4.2	11
18	18	AIA		4.2	11	18	18	AIA		4.2	11	18	18	AIA		4.2	11
19	19	AIA		4.2	11	19	19	AIA		4.2	11	19	19	AIA		4.2	11

AMEX

Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
17	17	AIA		4.2	11	17	17	AIA		4.2	11	17	17	AIA		4.2	11
18	18	AIA		4.2	11	18	18	AIA		4.2	11	18	18	AIA		4.2	11
19	19	AIA		4.2	11	19	19	AIA		4.2	11	19	19	AIA		4.2	11

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
12	12	AA		3.5	10	12	12	AA		3.5	10	12	12	AA		3.5	10
13	13	AA		3.5	10	13	13	AA		3.5	10	13	13	AA		3.5	10
14	14	AA		3.5	10	14	14	AA		3.5	10	14	14	AA		3.5	10

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
15	15	AA		3.5	10	15	15	AA		3.5	10	15	15	AA		3.5	10
16	16	AA		3.5	10	16	16	AA		3.5	10	16	16	AA		3.5	10
17	17	AA		3.5	10	17	17	AA		3.5	10	17	17	AA		3.5	10

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New Looks to Japan's Financial Sector

Samurai-Bond Curbs Likely to Ease Stock Market Braced for Turmoil

TOKYO — Japan is likely to ease restrictions on foreign issues tapping its bond market as a way to make the country's current-account surplus seem less objectionable, capital-markets sources said Thursday. The Ministry of Finance is expected to allow foreign borrowers with credit ratings as low as triple-B, the lowest investment-grade category, to issue yen-denominated issues known as samurai bonds.

TOKYO — The quarterly price settlement of futures and options contracts on the Nikkei 225-share index often raises concerns of a shake-up in the stock market, and the settlement on Friday is going to be especially tricky, traders said Thursday. Friday's settlement will mark two firsts for Nikkei derivatives. One is that Nikkei futures on the Singapore International Monetary Exchange will be settled simultaneously with futures in Osaka and second is that Nikkei options will be exercised on a monthly instead of a weekly basis.

City of Beijing Offers Lures for Foreign Firms

HONG KONG — Beijing will implement a preferential-treatment policy for foreign investment similar to that in China's coastal regions, and will open its real estate market to overseas companies, a Beijing-funded newspaper said on Thursday.

Northern China has lagged in implementing economic reforms and attracting overseas capital, and Chinese leaders are concerned that it might fall behind the booming south. The newspaper did not specify what Beijing's preferential-treatment policy would entail.

During his visit, Mr. Deng called for a faster pace of reform while maintaining a tight check on political dissent. From January to May, the municipality of Beijing approved 507 foreign-invested enterprises valued at \$560 million, or an average of three each day, Mr. Wan said.

Investors Hail Anand, Thai Stocks Surge 7%

Compiled by Our Staff From Dispatches

BANGKOK — Buoyed by the appointment of Anand Panyarachun as prime minister and the apparent end of Thailand's 15-month political crisis, the Bangkok stock market's key index soared 49.85 points Thursday in busy trading. The Stock Exchange of Thailand index closed at 737.23 points, up about 7 percent, while the value of stocks traded jumped to 11.68 billion baht (\$460 million) — nearly four times the level Wednesday.

Investor's Asia table with columns for Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225, and various regional indices with their respective values and changes.

Seoul Woos Foreign Investors

SEOUL — The government announced Thursday a set of measures to boost foreign investment in the falling South Korean stock market, amid growing public concern that the opening of the market to direct foreign investment this year had failed to reverse the slide.

Very briefly:

- Matsushita Electric Industrial Co. will provide China with the technology to produce 29-inch (74-centimeter) color television sets, under an agreement with Beijing Peony Electronics Group Corp.
• Mitsubishi Motors Corp. is negotiating to buy its Spanish distributor, Importación y Comercialización de Automóviles SA, from Mercedes-Benz España SA.

Hanoi Picks Privatization Candidates

HANOI — Vietnam has decided to transform seven state enterprises into joint-stock companies in an experimental step toward a sweeping privatization program, the Communist Party's Nhan Dan daily newspaper reported Thursday.

Cost of Pepsi's 'Lottery': Plenty

MANILA — The Philippine bottlers of Pepsi-Cola have spent nearly \$7 million to pay off customers stripped of their expected winnings in a lottery fiasco, a government official said Thursday.

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...is probably in the 1992 edition of WORLD PRESS TRENDS.

Published by the International Federation of Newspaper Publishers (IFEJ).



Analysis and Summary Trends from 1987 to 1991 on: Readership, circulation, revenues, Advertising expenditure distribution per media (newspapers, magazines, TV, radio, others), Tax regimes, public subsidies, ownership regulations.

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Founded in 1948, IFEJ is the world wide association for the newspaper industry. It groups 41 newspaper publishers associations in 36 countries, individual newspaper executives in a further 18 nations and 14 national and international press agencies. In all, the Federation represents more than 15,000 publications in the five continents.

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SPORTS BASEBALL

Blazers Survive Nightmare Start To Even Series

By Clifton Brown
New York Times Staff

PORTLAND, Oregon — The Portland Trail Blazers trailed for most of the game, but they led when it mattered most.

Overcoming a 13-point first-quarter deficit, Portland rallied to defeat the Chicago Bulls 93-88, tying the National Basketball Association championship series 2-2. The series, now two-of-three, resumes in Portland on Friday before returning to Chicago on Sunday.

Trailing by 7 points with 9 minutes to play Wednesday night, the Blazers' first lead came at 83-82 with less than four minutes to go on a basket by Clyde Drexler, who finished with 21 points. Michael Jordan led the Bulls with 32 points. Drexler's go-ahead basket, with 3:34 to play, came after he had stripped the ball from Jordan as Jordan attempted a jumper.

Portland overcame a horrendous start to pull to 48-43 at halftime. In a nightmare beginning they fell behind, 10-0, in a senseless spell that lasted 3 minutes 29 seconds.

And when Drexler finally scored on a driving layup, things got worse for Portland before they got better. Chicago's lead grew to 22-9 with 3 minutes left in the first quarter.

Even a few boos were heard among the normally friendly Portland faithful. But the game's momentum changed when Portland Coach Rick Adelman yanked Kevin Duckworth and Jerome Kersey from the lineup and replaced them with Cliff Robinson and Danny Ainge.

Robinson scored 8 first-half points off the bench, and just as importantly, he was active, pumping some much-needed life into the Trail Blazers' half-court game.

In the first quarter, Portland's offense was like a high-powered Ferrari locked away in a garage because the Bulls would not let them run. But once the Trail Blazers created fast-break opportunities by forcing Chicago turnovers, Portland's offense came alive.

Drexler led the way, keeping Portland in the game early by scoring 11 first-quarter points and 15 points total for the half.

Portland's early problems were a repeat of their woes in Game 3, only more dramatic. There were times when the Trail Blazers looked like five junior-high schoolboys playing a pickup game at recess. Their passes were shaky. Their half-court offense lacked direction.

No one except Drexler seemed confident enough to make a strong move to the basket for Portland. And with two days to work on a game plan, Portland still had trouble getting Terry Porter open. It took Porter more than 11 minutes to get his first field-goal attempt — a 3-point jumper late in the first period.

Ziegler Quits As NHL Chief, Associate Says

By Clifton Brown
New York Times Staff

TORONTO — John Ziegler, criticized for his lack of toughness and failure to secure a major U.S. television contract for the National Hockey League, has resigned as president of the league after 15 years, a Canadian hockey official said Thursday.

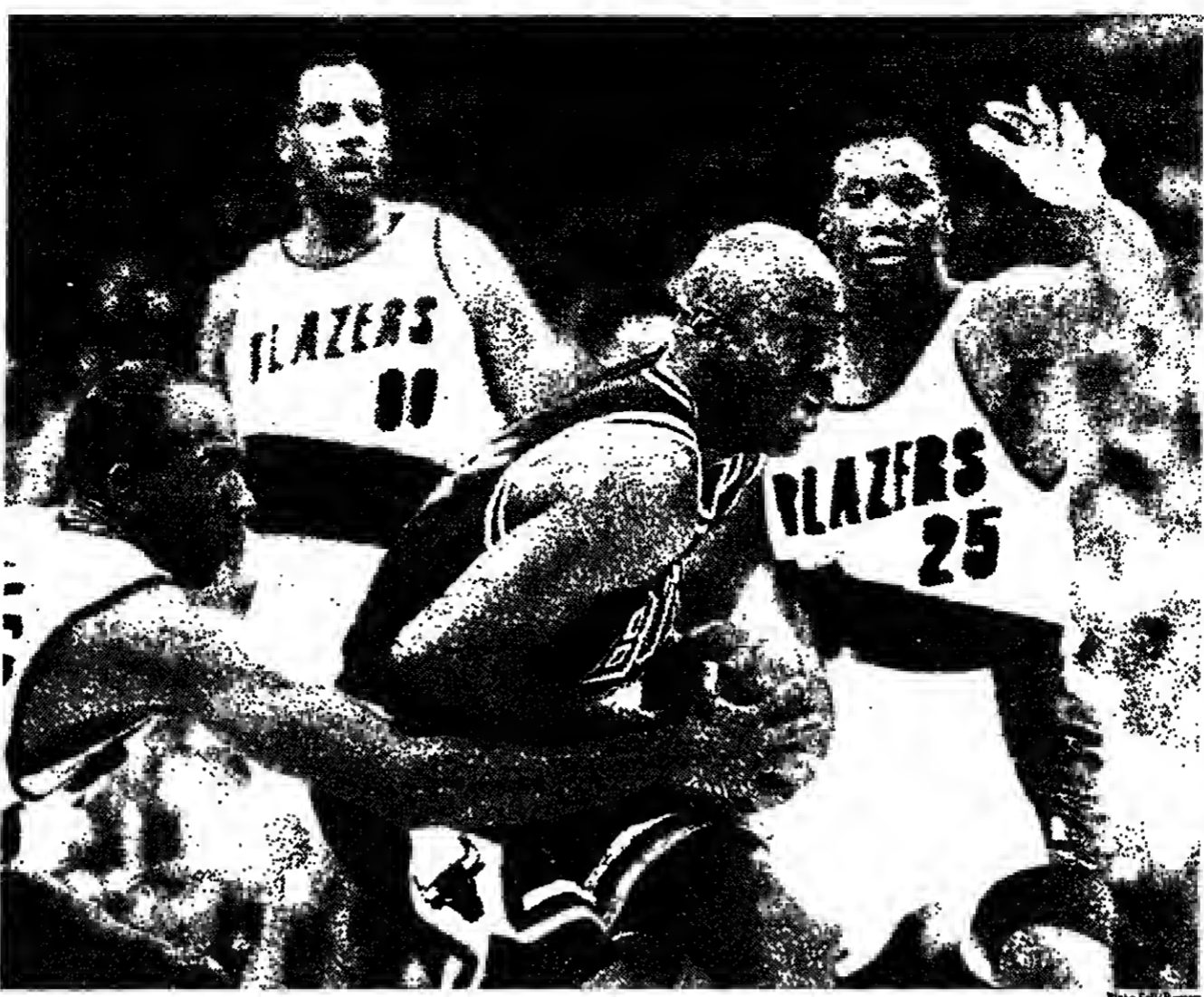
"He's relieved to be gone, and he's going with dignity," said Alan Eagleson, the former NHL players' union executive director and one of Ziegler's close friends.

Eagleson now is Hockey Canada's chief international negotiator and a player agent.

Ziegler met Monday and Tuesday with the five-man committee of team owners set up last month to explore the process of succession.

Indications were that the talks involved the timing of a leadership change and a financial settlement for Ziegler.

The Toronto Globe and Mail reported Wednesday that Ziegler would leave on Sept. 30. (AP, NYT)



Michael Jordan was alone in a crowd as Clyde Drexler, left, Kevin Duckworth (00) and Jerome Kersey (25) poured on the pressure.

Ex-Angels Lead White Sox Past Former Team

The Associated Press

It was a good night to be a former Angel.

Shawn Abner and Kirk McCaskill, both one-time California players, helped defeat their old team Wednesday night. Abner's sacrifice fly in the 12th gave the White Sox a 3-2 victory in Chicago.

McCaskill pitched well for eight

getting his 22d this season. McGwire's 200th homer, in Milwaukee, came in his 2,852d career at-bat, faster than anyone except Ralph Kiner, Babe Ruth, Harmon Killebrew and Eddie Mathews.

Ron Darling yielded seven hits in seven innings to win for the fifth time in his last six decisions. Dennis Eckersley got his 22d save in as many opportunities.

Indians 4, Tigers 2: Glenallen Hill continued his power surge with two home runs in Detroit to pace Cleveland. His second of the night broke a 2-2 tie in the 11th inning. Brook Jacoby, the next batter, also homered.

Steve Olin pitched the final 3 1/2

innings and allowed just two hits to win the game as the Indians took a series in Detroit for the first time since 1982.

Rangers 5, Mariners 3: Juan Gonzalez homered for the fifth

time in his last four games and Dickie Thon's two-run homer was the big hit in a five-run third inning in Arlington, Texas.

Royals 7, Twins 6: Brian McRae had three hits and drove in three

runs in Kansas City, leading the Royals to their ninth victory in their last 11 games.

Under Smulyan, the Mariners topped 2 million in attendance for

AMERICAN LEAGUE

innings, carrying a three-hitter and a 1-0 lead into the ninth. But the bullpen failed him and he wound up without a victory. Abner was released by California near the end of spring training.

NATIONAL LEAGUE

until Vince Coleman lined a single to center with two out in the fifth.

TRANSACTIONS

BASEBALL
BALTIMORE — Signed Smith, pitcher, and William Eaddy, outfielder.

BASEBALL

CHICAGO — Signed Paul Shoyer, relief pitcher, from Columbus, International League.

BASEBALL

TEXAS RANGERS — Signed Jeff Roston and Michael Anderson, pitchers; Cory Pearson and Deaton Brown, outfielders; Chris Burt, infielder.

BASEBALL

PHILADELPHIA — Signed Mike Clark, senior vice president, effective July 1.

SIDELINES

U.S. Body Sets Meeting on Reynolds

INDIANAPOLIS (Reuters) — Officials of The Athletics Congress, the U.S. governing body for track and field, said Thursday that its executive committee would hold a teleconference on Friday to discuss whether Reynolds can compete in the U.S. Olympic trials this month.

The International Amateur Athletic Federation on Tuesday said Reynolds could not compete in the Olympics and that if he participated in the U.S. trials, any athlete who raced against him could be banned from the Barcelona Games. The trials will be held June 19-28 in New Orleans.

"As members of the IAAF we have to follow their rules," said TAC's president, Frank Greenberg. "But on the other side we have the rights of the U.S. trials, and we have to balance that against the rights of the other athletes." Reynolds, banned in 1990 for two years after a positive test for an anabolic steroid, obtained a court order allowing him to run domestically, and he is seeking another court order to force TAC to allow him to compete in New Orleans.

Nannini Drops Formula One Return

BRUSSELS (Reuters) — Alessandro Nannini, the Italian driver who steered an arm in a helicopter crash almost two years ago, said Thursday that he would not return to Formula One racing.

"Now I've given up all hope," Nannini, 32, said in an interview with the Belgian magazine Sport 90. Nannini, winner of the 1989 Japanese Formula One race in a Benetton, had his arm swabbed on after the crash in Sienna in October 1990.

For the Record

The Cotton Bowl Parade, a New Year's Day tradition in Dallas since 1957, was canceled Wednesday by organizers after the U.S. television network NBC said the wife of the golfer John Daly, gave birth to a 6-pound (2.7-kilogram) girl on Wednesday in Memphis, Tennessee. (AP)

Bettye Fufford, the wife of the golfer John Daly, gave birth to a 6-pound (2.7-kilogram) girl on Wednesday in Memphis, Tennessee. (AP)

Jacques Demers, 47, was named coach of the National Hockey League's Montreal Canadiens on Thursday, replacing Pat Burns, who resigned to become head coach of the Toronto Maple Leafs. (AP)

Roy Tarpley, the former Dallas Mavericks forward, has agreed in principle to play next season for the Greek basketball team Aris at a salary of \$800,000. The Dallas Morning News reported Thursday. (AP)

SCOREBOARD

BASEBALL

Table with columns for Team, W, L, Pct., GS. Includes Major League Standings for American League and National League.

BASEBALL

Table with columns for Team, W, L, Pct., GS. Includes Wednesday's Line Scores for American League and National League.

BASKETBALL

Table with columns for Team, W, L, Pct., GS. Includes NBA Final results.

BASKETBALL

Table with columns for Team, W, L, Pct., GS. Includes Japanese Baseball results.

BASKETBALL

Table with columns for Team, W, L, Pct., GS. Includes Giro d'Italia results.

BASKETBALL

Table with columns for Team, W, L, Pct., GS. Includes various sports results.

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OBSERVER

Why Not a Saxophone?

By Russell Baker
NEW YORK — When the subject is statecraft I feel nervous about disapproving with sagas like Barbara Walters and Tom Wicker, but Governor Clinton's saxophone act on the Arsenio Hall show struck me as one of the more encouraging events of the political year.

Opening the Doors for World Music

By Mike Zwerin
International Herald Tribune
PARIS — A behind-the-scenes look at how Paris was and was not and may or may not now be the capital of every ethnic music but white, and what future may or may not lie in store for it.



Laurent Viguité: "It needed pioneers like me to do the dirty work."

and film deals later, still is. "Papa Wemba," says Viguité, "is the one that got away."
More than one got away but it began to turn around in the '90s. N'Dour signed with Spike Lee's One Love and a Mule Sony sublabel (the first album was released last week). EMI resigned Blondy and is supporting tours and videos. Khaled recently went into the French charts on PolyGram, which is "behind him all the way."

PEOPLE

Rostropovich to Retire From Fulltime Duties

Mstislav Rostropovich will retire as music director of the National Symphony Orchestra when his contract expires in two years and will take a new position with reduced duties. Rostropovich, who celebrated his 65th birthday March 27, will have completed his 17th season when he steps down. His decision was due in part to his wish to spend more time in Russia without feeling that he is neglecting responsibilities in Washington. The recent political and cultural changes in the former Soviet Union have affected him and his wife, soprano Galina Vishnevskaya, "in the profoundest way," Rostropovich said in a statement. Stephen Klehn, the orchestra's executive director, said that no successor has been named.

John Marks Templeton, creator of the Templeton Prize, has been awarded the 1992 Norman Vincent Peale Award for Positive Thinking. The award is given by the Institute of Religion and Health, a counseling and training organization Peale, 94, founded 55 years ago.

Princess Diana broke into news Thursday after her first public appearance since a rash of newspaper stories about the state of her marriage to Prince Charles. The burst of emotion came as the princess was greeting well-wishers outside a cancer hospice in Southampton, near Liverpool. She appeared composed in a half-hour later as she arrived for the publication of a biography, "Diana: Her True Story," by former tabloid reporter Andrew Morton, set off a spate of sensational reports last week. In the book, Morton claims that Diana made several suicide attempts early in her marriage. ... Managers of several bookstores in Wellington, New Zealand, say they will not stock the controversial biography.

The American architect Frank Gehry is one of five winners of this year's Japanese Imperial Prize. The other winners, announced Thursday at a conference in Rome, were film director Akira Kurosawa, painter Piero Sogolias, sculptor Anthony Caro and composer Alfred Schnittke. The prize of about 15 million yen, or \$177,555, for which winner was established in 1987 by Hiroaki Shtakura.

The Global Newspaper Edited and Published in Paris Printed in London, Zurich, Hong Kong, Singapore, The Hague, Moscow, New York, Rome, Tokyo, Taipei

Japan's Easier Money

By Steven B. ... TOKYO — The Japanese government will continue to ease the money market and apply a high-growth strategy to the economy, economists said in a report, the quarterly economic outlook, showed that the government was in a tight spot. "These numbers are a change of policy," said Kenji Miyazawa, a Japanese economist at Deutsche Bank (Asia). "If they don't do it, we will see a 3.5 percent target for the year."

U.S. Gets Reopening

By Lawrence ... NEW YORK — The U.S. price index, which measures markets and reopened the market on whether the Federal Reserve interest rates should be raised. Even Ross Perot said he would not be a member of Governor Susan Phillips' Perot's presence on the panel, generating enough uncertainty to keep long-term markets flat. The overall consumer price rose by only 0.1 percent, excluding food and energy, percent, the Labor Department was the smallest increase.

TODAY'S REAL ESTATE MARKETPLACE Appears on Page 6
ENTL CLASSIFIED Appears on Page 7
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Russia Report MOSCOW (AP) — Russian agency in North Dakota special forces were alerted to reported. Across the border of people have died in a riot in North Carolina, the wounded Thursday when they were trying to seize

General News Ross Perot rambled with Clinton was specific. tional TV Slovak nationalists apply collapse of negotiation to the Czechs. Art Was the Prado right to Picasso's huge painting? m? Crossword

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